HUON VALLEY COUNCIL

HUON VALLEY COUNCIL SUBMISSION
Tasmanian Economic Diversification and Investment Strategy — Consultation Draft

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Introduction

Huon Valley Council welcomes the opportunity to comment on the Economic Diversification and Investment Strategy Consultation Draft. Council supports the ambition to build a more diversified, productive and investment-ready Tasmanian economy.

Council's central submission is that social, environmental and economic capital are interdependent. A strategy for economic diversification is stronger when it is built on that understanding.

The draft makes that connection in places:

- It treats housing supply as an economic enabler rather than a separate concern.
- It names childcare, transport, health, youth engagement, educational attainment and housing affordability as the practical barriers to lifting participation.
- Its account of Tasmania's comparative advantage rests substantially on natural and social assets — a cool climate and abundant fresh water, biosecurity advantage, provenance and premium branding, the quality the world associates with Tasmania's name, and the close working relationships a small jurisdiction makes possible.

Those assets are not context surrounding the economy. They are economic infrastructure. Maintaining them is a form of economic investment, not a constraint upon it.

Council submissions

Council makes eight principal submissions.

- Climate change and the natural environment are absent from the draft. Both should be named — climate change as an economic driver, the natural environment as a foundation for growth.

- The wellbeing of Tasmanians and their communities should be the Strategy's purpose, with investment and productivity as the means.
- The Strategy's relationship to the Tasmanian Government's Wellbeing Framework should be made explicit.
- Reform of approvals should be framed as making processes better, faster and clearer while preserving the protections they provide, not as removing red tape.
- Councils and communities should have a defined role in setting regional priorities, with expectations matched to real capacity and partnership genuinely resourced.
- Regional councils are acting as provider of last resort for services the market will not supply. The Strategy should name this as market failure and apply to it the community service obligation principle it already accepts for government businesses.
- Population should be treated as the third driver of growth alongside participation and productivity, with a goal, a priority and indicators of its own, framed around the capacity of regions to house, service and retain people.
- School and early childhood education should be named within the Strategy's goals and alignment framework as the foundation of the advanced skills and innovation it depends on.

The remainder of this submission sets out the basis for those positions and comments on each of the six priorities.

Background

Council's approach is set by its Liveability Framework, which requires social, economic, natural environment, built environment and cultural capitals to be balanced in every decision, and names resilience — the capacity to withstand and recover from economic, social and environmental challenges — as a core principle.

Council tests this against local evidence through a biennial Community Views survey conducted with .id, most recently in 2025 with 1,246 respondents.

The Huon Valley's population has grown by around 21 per cent over the past decade to more than 19,700 people. Its largest employment sector is agriculture, forestry and fishing, at around 24 per cent of local jobs. The municipal area is Melukerdee and Lyluequonny Country, and around 10 per cent of residents identify as Aboriginal and/or Torres Strait Islander, compared with about 3 per cent nationally.

Educational attainment or income are significant indicators that impact economic growth opportunities. Census data reported in Circular Economy Huon, "Understanding and overturning educational disadvantage in the Huon Valley": Huon Valley personal weekly income around $600 against roughly $700 for Tasmania and $800 nationally;

bachelor-degree attainment 20.1 per cent against 21.9 per cent statewide and 26.3 per cent nationally.

One survey finding is worth setting out early. Asked what most makes somewhere a good place to live, from a list of 16 attributes, residents' leading answers were feeling safe (61%), high quality health services (58%) and access to the natural environment (58%). A prosperous economy and good job prospects did not rank among the most valued attributes. Asked to name the top three issues facing their local area, the leading answers were the cost of living (47%), healthcare and hospitals (42%) and housing affordability (35%).

Council does not read this as indifference to the economy. Residents do not experience "the economy" as a separate category. They experience whether they can afford to live, find a home and reach a doctor. Economic policy reaches people through liveability, and it is judged there.

The draft is an economic development document whose stated audiences (p.5) are investors, business, regions and Tasmanians. The Strategy has a real potential to deprioritise economic outcomes risks that are considered to as outside the consultation's frame such as liveability and all associated features.

Climate change and the natural environment

This is the draft's most significant gap. The economic outlook at page 6 names geopolitical and fiscal pressures as the challenges of the decade ahead. It does not name climate change, which will likely outlast and outweigh both.

Name climate change as an economic driver. Tasmania's Risk Assessment for Climate Change 2024 rates every physical risk in the natural domain as Tier 1, ready to act, and links them to 67 per cent of all risk and opportunity statements. In the economic domain, the land-based primary sector, aquaculture and fisheries, and national supply chains are all Tier 1 risks. The Huon Valley is built on agriculture, aquaculture, forestry and nature-based tourism, and is exposed to bushfire, flood and coastal change. These risks are immediate.

Council recommends that climate change be named as an economic driver in the economic outlook and in Drivers for reform, and that the Strategy's assessment framework require major investment and infrastructure decisions to be tested against the Tier 1 physical risks identified in Tasmania's Risk Assessment for Climate Change 2024, with that assessment recorded in the published reasons for decision.

Add the natural environment to the foundations. Foundations for growth at page 7, the list of those the Strategy will support at page 5, and the alignment figure all omit the natural environment. It is the base on which agriculture, aquaculture, fisheries, tourism

and the premium Tasmanian brand depend. Council recommends it be added explicitly to the foundations and to the supporting framework.

Recognise adaptation and the transition as growth opportunities. The Risk Assessment identifies Tier 1 opportunities in carbon markets, energy-efficient housing, lower-emissions transport, primary industries and aquaculture, and in the skills and businesses needed for new adaptation industries. Climate action is a diversification opportunity and a source of jobs, not only a cost. Council recommends it be recognised within Accelerating growth and innovation and Growing our capability.

Weigh environmental value in decisions. The draft's decision-making principles weigh economic and social benefit but not environmental value. That is at odds with the 2024-25 independent review of the Climate Change (State Action) Act 2008, whose Recommendation 5 is to require climate change to be considered in major government decisions, particularly those with significant investment value. An investment strategy is exactly such a context. Council recommends environmental value and climate impact be weighed alongside economic and social value.

Invest in resilience. The independent review found the Act a strong foundation with clear gaps, and noted that Tasmania's net zero position since 2014 rests largely on land-use and forestry sequestration rather than broad decarbonisation — a position it describes as at risk. The Risk Assessment also rates the adaptation shortfall as partial across most risks. Council asks how the Strategy will support the further investment in resilience these findings point to, rather than relying on existing activity alone?

Council recommends that action plans identify the resilience investment required to close the adaptation shortfall identified in the Risk Assessment, sequenced and costed, and that infrastructure business cases prepared under the Strategy include whole-of-life resilience costs so that avoided future expenditure is visible at the point of decision.

Local evidence suggests the capacity to build on is there. Almost seven in ten Huon Valley residents (69%) felt confident in their ability to adapt personally to the effects of climate change within their lifetime, against 60 per cent nationally, and residents reported taking practical preparedness steps at high rates.

Purpose, goals and who the Strategy serves

Put community wellbeing at the centre. The draft lists Tasmanians last among those the Strategy will support, and treats improved living standards as a downstream result of productivity. Council submits the order should be reversed. The wellbeing of Tasmanians and their communities is the purpose. Investment and productivity are the means. Consistent with Council's Liveability Framework, the strongest starting point is what communities value and contribute, not what they lack.

Invest in the enablers of participation. The draft names childcare, transport, health, youth engagement, educational attainment and housing affordability as barriers to participation at page 8. It offers no plan to reduce them, and several have seen recent budget cuts. These enablers carry broad community co-benefit. Productivity gains alone are more narrowly shared.

Council recommends that the Strategy identify participation enablers — childcare, transport, primary health, youth engagement and housing — as economic infrastructure, and that action plans report annually on access to each by functional labour market, with the age-standardised participation gap as the outcome measure against which that investment is judged.

Guard against harm and inequity. Council recommends clear tests so that facilitated private investment does not come at the expense of existing industries, communities or the natural environment, and so that no region or group is left behind as effort concentrates on areas of comparative advantage.

Give communities and councils a defined role. Council recommends that regional priorities be endorsed by participating councils before inclusion in action plans, and that the Strategy identify a funded regional engagement resource for councils without in-house economic development capacity, so that the role is exercisable in practice as well as defined on paper.

Council capacity, and market failure in the regions

Council raises several qualifications about capacity.

Huon Valley Council does not have a dedicated economic development function. The work is led by the Chief Executive Officer and delivered largely through partnerships — with organisations such as Business Enterprise Centres and regional tourism networks — and through advocacy where the relevant levers sit with the State or Australian Government. Council's developing Advocacy Plan will strengthen that approach.

More significantly, regional councils frequently find themselves the provider of last resort for essential services that underpin economic activity. Huon Valley Council operates several early childhood education and care centres and medical centres. Council's preference would be for these to be provided by the market. In regional settings such services are often not economically viable under standard funding models, and it has fallen to local government to provide them if communities are to thrive.

This should be named in the Strategy. It indicates both market failure in the regions and a reduction in local government's ability to undertake its core functions. It is directly relevant to Priorities 3, 4 and 5, and to the Strategy's assumptions about council participation.

Council notes the draft's own position under Priority 6: where government requires a government business to provide a non-commercial service at a net cost, that should be clearly identified and supported as a community service obligation. The same principle should apply where local government carries a service the market will not provide. Council raises this not to expect less of local government, but to ask that the Strategy's expectations of councils reflect the sector's real and varying capacity, and that partnership be genuinely resourced rather than assumed. This is consistent with the Future of Local Government Review's own finding that councils need clarity of role together with the capability and resources to deliver on it.

Population and demographic capacity

The draft identifies three connected drivers of long-term economic growth at page 8: how many people an economy has, how many of them participate in the workforce, and how productively they work. Two of those drivers are carried through the document. Participation is given Goal 3 and Priority 5. Productivity is given Goal 2 and Priority 3. Population is given two paragraphs at page 8, repeated in substance at page 34, and then left behind. It carries no goal, no priority, no target and no indicator of age structure or retention. The Tasmanian Population Policy appears in the alignment diagram at page 5 and is not engaged with again.

Population is the driver the Strategy names and does not act on. Council submits that this is the most significant structural omission in the draft after climate change. Tasmania has the oldest median age of any state or territory and natural population decline is projected from the early 2030s. Against that, the Strategy sets out demand for an additional 32,000 workers within two years, before the labour requirements of major projects. A strategy that names a driver and then builds no machinery for it leaves its own workforce assumptions unsupported.

Demography is not only a labour supply question. The draft treats demography almost entirely as a question of labour supply, with skilled migration to regional Tasmania as the sole related indicator. An ageing and shrinking population is also a demand-side and fiscal question. It changes what the economy is called on to produce, weighting activity toward care and away from other sectors. It erodes the revenue base that funds the infrastructure the Strategy relies on. And it withdraws private provision from thin markets, which transfers service delivery onto local government, as set out elsewhere in this submission.

Retention is largely absent, and it is the lever the State actually holds. The Minister's foreword identifies the difficulty of attracting and retaining younger workers, and asks whether young Tasmanians see their future here. The body of the Strategy does not return to it. This matters because the levers divide unevenly: migration settings sit largely with the Australian Government, as the draft acknowledges, while the conditions that determine whether people already here choose to stay — housing, childcare, health

access, education, connection to place — sit substantially with the State and with local government. Retention is the part of the demographic problem Tasmania can most directly influence, and it is the part the draft addresses least.

Population capacity, not population numbers. Council submits that the Strategy should frame its demographic ambition around population capacity rather than population numbers alone: the ability of a region to house, service, educate and absorb the people its economy needs. This framing is consistent with the draft's own position at page 31, that in some regions the limiting factor is not demand for investment or employment but the practical capacity to accommodate the workforce required to sustain it. Population targets set without reference to that capacity produce pressure on housing, services and communities rather than growth.

Recommendations. Council recommends that the final Strategy carry population as a goal alongside participation and productivity; that regional engagement under Priority 4 include an explicit assessment of each region's capacity to absorb population, covering housing, childcare, primary health and school capacity; and that indicators under Goal 3 include retention of the 20 to 45 age cohort benchmarked regionally, alongside the existing skilled migration measure.

Education as the foundation of capability

The Strategy's skills ambition begins too late. The draft states at page 35 that over 90 per cent of employment growth in the next decade will require a post-secondary qualification. Council accepts that figure and submits that it is, in substance, a statement about the school system. The Strategy's response to it operates entirely at or after the end of compulsory schooling: the Tasmanian Skills Plan, the Youth Jobs Strategy and the Regional Jobs Hub network. Goal 2 measures educational commencements and completions in key sectors. Nothing in the goals, the priorities or the alignment framework at page 5 reaches below post-secondary level, and at page 8 educational attainment appears only among barriers to participation to be reduced, never as a foundation to be built.

Regional educational disadvantage is structural and measurable. This omission matters most in the regions the Strategy is seeking to activate. Across a set of nine regional district high schools in Tasmania, socio-educational advantage as measured by the Index of Community Socio-Educational Advantage ranges from 874 to 1004 against a national median of 1000, and 2023 national assessment results rise consistently with that rating, with roughly a hundred points separating the lowest and highest of the group. Regional educational disadvantage in Tasmania is a structural pattern rather than a local circumstance, and it is the pattern that determines how many regional young people reach the post-secondary qualifications the Strategy assumes.

The Huon Valley as an instance of that pattern. Secondary schooling in the Huon Valley sits at a socio-educational rating of 889, at the disadvantaged end of that statewide distribution. This is consistent with the municipality's broader profile: personal weekly incomes and bachelor-degree attainment both sit below the Tasmanian average, which in turn sits below the national average. Council does not raise this as a special case. It raises it as a documented instance of a statewide pattern the Strategy has not addressed.

Funding alone has not closed the gap. Two findings bear directly on the Strategy's framing. The first is that per-student government funding in Huon Valley secondary schooling is already higher than in the larger centres closer to Hobart with which it is commonly compared, and the attainment gap persists nonetheless. Additional funding alone has not closed it. The second is the well-established finding that a majority of the variation in student achievement originates outside the school gate, in household income, housing, health and family circumstance. Taken together, these support the central submission of this document: educational attainment is substantially a liveability outcome, and liveability is therefore an economic lever. A capability strategy that treats education as a matter for the education system alone will not close the gap it depends on closing.

Education and demography are the same problem at different ages. The demographic dimension compounds this. Where regional families with the means to do so conclude that better schooling lies elsewhere, they act on it — through daily travel, through home education, and in time through relocation. In the Huon Valley, several hundred school-aged children who live in the municipality are educated outside it. That is the same dynamic as youth out-migration, operating a decade earlier in the life course and with the same long-run effect on the regional workforce. A strategy that wants young, well-educated people to build their futures in regional Tasmania must address the point at which regional families first conclude that opportunity lies elsewhere.

Recommendations. Council recommends that the final Strategy name school and early childhood education within its goals and alignment framework as foundations of economic capability; that Goal 2 carry at least one indicator reaching below post-secondary level, such as Year 12 completion or a school-level attainment measure reported regionally; and that action plans under Priorities 4 and 5 treat regional educational disadvantage as an economic constraint to be addressed alongside housing, childcare and transport.

Alignment with the Wellbeing Framework

Council's principal recommendation is that the final Strategy make its relationship to the Tasmanian Government's Wellbeing Framework explicit.

The Wellbeing Framework, released in November 2025, describes itself as a shift from economic indicators alone to a holistic view encompassing the social, environmental, cultural and economic dimensions of life in Tasmania. It sets Prosperity alongside Community, Governance, Health, Learning and Place as one of six interconnected domains. Its Prosperity outcomes include strong local economies with thriving businesses and opportunities, an economy diverse across multiple industries, and renewable energy that benefits communities as well as the economy.

Those are this Strategy's objectives, expressed in the Government's own wellbeing language. The draft does not reference the Wellbeing Framework at all.

Council recommends the connection be made, including how economic decisions taken under this Strategy will be informed by, and reported against, the Framework's domains and outcomes. Doing so would demonstrate the integration the Framework calls for, and would give the Strategy a ready-made mechanism for describing its wider social and environmental value.

Council makes the same point about Tasmania's emergency management and disaster resilience arrangements. The draft's alignment picture includes the Population Policy, Housing Strategy, Skills Plan, Youth Jobs Strategy and 20-year Preventative Health Strategy. It should include these too. Economic strategy is one piece of the puzzle. How well the pieces interlock is experienced at community level, which is precisely where councils sit.

Aboriginal Tasmanians

The draft does not appear to address Aboriginal Tasmanians or First Nations economic participation. This matters particularly in the Huon Valley, where around 10 per cent of residents identify as Aboriginal and/or Torres Strait Islander. The Wellbeing Framework recognises Aboriginal knowledge and connection to Country within its Place domain and its inclusivity and knowledge-informed principles.

Council does not speak on behalf of Aboriginal communities and does not seek to do so here. Council encourages the Tasmanian Government to engage directly with Tasmanian Aboriginal organisations and communities in finalising the Strategy, and to reflect Aboriginal economic participation, enterprise, and land and sea management knowledge within it.

Resilience and the role of local government

Thriving, resilient communities can be shaped. They are not simply a matter of good fortune. Resilience in this sense is a community's capacity to adapt to change of many

kinds — structural economic change, technological change including artificial intelligence and automation, demographic change, climate change, and disaster.

Council's Community Recovery Plan frames recovery across four interconnected environments: social, economic, built and natural. It is built on the National Principles for Disaster Recovery, which hold that successful recovery is community-led and begins from an understanding of each community's own history, values and dynamics. Council's observation is that communities with strong existing networks, local leadership and diverse local enterprise recover faster and more completely than those without. Disaster makes the interdependence of social, environmental and economic capital visible under stress. The same relationships operate in ordinary times, more slowly and less visibly, and shape whether a local economy grows or stalls.

Local government is closest to this work. Councils can work alongside residents, business, community organisations and other partners in ways state-level programs generally cannot. This is consistent with the Government's own reform agenda. The Future of Local Government Review recommends a legislated role for local government that includes harnessing and building on the unique strengths and capabilities of local communities, representing and advocating for local needs and interests, and promoting the social, economic and environmental sustainability of local communities, including by mitigating and planning for climate change impacts. The first of those is, in effect, an asset-based description of local government's role — starting from what a community already has rather than what it lacks.

The reforms progressing through the Local Government (Targeted Reform) Amendment Bill and the forthcoming Local Government Charter will require councils to identify community wellbeing priorities with their communities. The Wellbeing Framework itself contemplates councils aligning strategic planning and service delivery with it. Council encourages this Strategy to be developed consistently with that emerging role, recognising councils as partners, conveners, facilitators and advocates in regional economic diversification.

Decision-making principles

Treat approvals as safeguards, not merely complexity. Environmental, heritage and planning approvals protect the assets that make Tasmania attractive — the natural environment, the brand and community character. Council recommends reform be framed as making processes better, faster and clearer while preserving those protections. Framing it as removing red tape invites unintended harm. The requirements are usually in place for a reason.

Protect transparency and avoid concentrating decisions. Council supports transparent trade-offs, and asks that this mean published reasons and open processes

rather than decisions made behind closed doors. Council is concerned that a new integrated pathway or Economic Future Act could concentrate major decisions in fewer hands and reduce transparency over time. Any reform should strengthen, not narrow, transparency and the role of existing consent authorities, including councils.

Council recommends that this be strengthened by being built into an integrated pathway through:

- statutory criteria for what qualifies as a major project rather than ministerial discretion;
- retention of third-party appeal rights; mandatory publication of assessment reasons;
- councils as statutory consultees with a defined response period;
- and a sunset or five-year review clause.

Define and measure the public interest. Council recommends that the Strategy publish the public interest test to be applied under its decision-making principles, including the matters to be weighed and the threshold above which the test applies, and that reasons recording its application be published for decisions involving allocation of scarce public resources.

Add environmental value to the principles. As set out above, the principles should weigh environmental value and climate impact alongside economic and social value.

Priority 1: Unlocking private investment

Council supports making investment pathways clearer, faster and more predictable, and acknowledges the importance of investment certainty to regional Tasmania.

Community understanding and support is an asset to investment, not an obstacle to it. Investment proceeds most smoothly where a community can see how a proposal relates to what it values and how local benefit will be shared. Engagement undertaken early and genuinely reduces conflict, objection and delay later in the process, and produces better-designed projects.

Council's 2025 survey is instructive on what makes engagement work. Asked how Council could make it easier to participate, residents' leading answers were better communication about upcoming opportunities (47%), demonstrating how feedback influences decisions (47%) and greater transparency in decision-making (46%). A further quarter said connecting topics more clearly to community impacts would help. People engage where they can see how a matter affects them, and where they can see that their input changed something.

The same holds for investment proposals. Early clarity about process, timing and benefit does more for social licence than speed alone. Councils can broker this at relatively low

cost, and can bring local knowledge — site conditions, servicing constraints, natural hazard exposure, workforce availability and local supply chains — into consideration early, when it can still shape a proposal.

Council also submits that investment facilitation should be judged not only by the capital it attracts, but by whether it meets genuine community need and delivers durable, ongoing benefit rather than one-off gains.

Council encourages any streamlined investment pathway to preserve and resource meaningful early engagement with councils and communities rather than compressing it, and would welcome the opportunity to comment further as consultation on an Economic Future Act proceeds.

Priority 2: Accelerating growth and innovation

Council supports broadening Tasmania's economic base through innovation-led growth, and supports applying advanced technology to real-world problems where Tasmania has genuine capability.

Several of the comparative advantages the draft identifies are environmental and reputational assets: climate and water, biosecurity, provenance, premium branding and a reputation for quality. These can be depleted, and their value depends on their being maintained. Council encourages the Strategy to treat stewardship of natural capital and reputation as part of Tasmania's investment proposition, and to value innovation that strengthens those assets while creating economic value — regenerative agriculture and land management, circular economy approaches, nature-based solutions, distributed and community-scale energy, and provenance and traceability technologies. The adaptation industries and skills identified in the Risk Assessment belong in that list.

Community openness to innovation is itself an investment asset, and one Tasmania appears to hold. Huon Valley residents reported higher support than the national average for adopting renewable energy sources (52% against 48%), creating them (42% against 38%) and, notably, hosting renewable energy projects in their local area (46% against 36%). Residents identified protecting and enhancing local biodiversity (62%) and support to live more sustainably (60%) as the best ways to address climate change locally, with a strong preference for local solutions. This is a community disposed to participate in the energy transition, provided it is done with them and they share in the benefit.

One honest observation. The Huon Valley's largest employment sector is agriculture, forestry and fishing, at around 24 per cent of local jobs. At the same time, 27 per cent of residents named environmental concerns as an issue facing the local area, up from 22 per cent in 2021 and well above the national figure of 10 per cent. There is real tension between environmental stewardship and economic reliance on natural resource industries. Council does not regard this as an argument against either. It is precisely why integrated approaches matter. The most valuable innovation for regions like ours eases

that tension rather than sharpening it, and Council encourages the Strategy to prioritise accordingly.

Regions such as the Huon Valley — established primary industries, deep local land management knowledge, active producer and community networks and a strong provenance identity — are well suited to developing and testing such approaches with local industry and residents, rather than only receiving innovation developed elsewhere.

Priority 3: Lifting productivity

Council supports the focus on productivity and acknowledges the significance of the sectors identified — care, construction, retail, hospitality and tourism — to regional employment.

In smaller communities these sectors are also social infrastructure. They are where people meet, the services that allow older residents to remain in their community, and the employers that give young people a first job locally. Productivity measured narrowly can erode the local presence and relationships that make these sectors work and that underpin the wider local economy. Council encourages productivity initiatives in these sectors to be designed with regional operators and communities, and assessed for their effect on service presence and community connection in smaller places alongside efficiency.

The care sector warrants particular attention in this region. Access to high quality health services was the equal second most valued attribute among Huon Valley residents, but their experience of it rated 4.4 out of 10 — below the Tasmanian benchmark (4.9), regional Australia (5.6) and the national figure (6.1). In Geeveston and surrounds it fell to 3.1. Sixty-eight per cent of residents aged 60 and over named health services as important to them, in a municipal area whose median age already exceeds both the state and national medians. Council supports reform that genuinely improves the capacity and reach of care services. In places like ours, the productivity of the care sector will be judged by whether a person can see a doctor.

AI and automation is missing from the draft. The draft leans heavily on AI as a productivity imperative while conceding only that these technologies "may offset their own potential effects on employment" — an assertion offered without evidence. In a municipality where 24 per cent of jobs are in agriculture, forestry and fishing, the distributional question is serious: who absorbs the transition, in which occupations, and where. Recommend Council ask that the Strategy commit to assessing the regional and occupational distribution of automation impacts, not only the aggregate gain.

Council strongly supports the emphasis on reliable, affordable digital connectivity outside Tasmania’s larger centres. The case for connectivity investment is stronger still when made across its full range of benefits — business productivity, workforce

participation and remote work, access to health and education, social connection for isolated residents, and emergency communication and business continuity during and after an event — rather than on productivity grounds alone.

Priority 4: Activating our regions

Council strongly supports this Priority and its recognition that Tasmania's regions are diverse and require tailored, place-based approaches. Council welcomes the proposed work with councils and communities on identifying regional strengths, and the reference to liveability data as part of the regional evidence base.

Place is finer-grained than region. Council's 2025 survey found the Overall Liveability Index varied across a single municipal area of fewer than 20,000 people: 57.8 in Cygnet and surrounds, 56.3 in Franklin, 54.8 in Huonville and Ranelagh, 53.5 in Geeveston and 53.3 in Dover. The drivers differed too. Dover residents recorded the highest experience of the natural environment in the municipal area (8.1 out of 10) while placing markedly lower importance on it (40%); in Franklin and Cygnet it ranked first for both. Analysis based on functional labour markets is a useful lens for workforce and investment planning, but it will not capture variation at this scale. Councils and communities can, and Council encourages the Strategy to treat them as the mechanism through which regional intent becomes local action.

Start from strengths. Council encourages the identification of regional strengths to be the starting point for regional engagement rather than one input among several. Beginning with what a region and its communities already have — established enterprises, skills, institutions, community organisations, natural assets and local knowledge — produces a more accurate picture, and a more motivating one, than beginning with gaps and barriers.

Broaden the regional evidence base. Liveability and wellbeing measures — including social cohesion, connection and participation, aligned with the Wellbeing Framework's domains — should sit alongside economic and demographic indicators as a core dataset rather than a supplementary one. Local climate and natural hazard risk information should be included, so that investment, housing and infrastructure decisions strengthen resilience rather than inadvertently increasing exposure.

Move from consultation toward co-design. Regional engagement should position communities and councils as partners in shaping regional priorities, not only as respondents to priorities set elsewhere. This is consistent with the Wellbeing Framework's Governance outcome that Tasmanians can have a say in decisions affecting their communities and have their voices valued, and with what Huon Valley residents told Council directly about closing the feedback loop.

Address rental affordability, not only supply. Much of the regional workforce rents, and increasingly cannot afford to. Council recommends housing be treated as an economic enabler that includes rental affordability, not only the supply of new dwellings.

Require genuine community benefit from renewable energy. Major renewable energy projects have been contentious across the state. Council recommends that defined, enduring community benefit be a condition of approval for major renewable energy and other significant regional investment, with benefit arrangements negotiated with the host community before determination, published, and reported against for the life of the project. Council also supports extending the community benefit principle beyond renewable energy to other significant regional investment.

Match expectations to capacity, and resource partnership. Implementation happens through councils and communities. The Strategy and any action plans should recognise the varying capacity of councils to participate, including councils without dedicated economic development resourcing and those carrying services the market will not provide, and identify how the State will support consistent regional engagement across all council areas rather than only those with in-house capability.

A key question is where does the investment land? The headline pipeline is anchored by projects that are metropolitan or state-wide in character. Goal 3 proposes to benchmark regional growth against non-capital-city growth, which is a sound indicator with no mechanism attached. Council would like to be informed what proportion of the pipeline is expected to land outside greater Hobart, and that this be reported regionally rather than only at state level.

Priority 4 is where the demographic submission becomes concrete: the constraint in this region is not appetite for growth but capacity to house and service it. Recommend Council ask that regional engagement include an explicit assessment of each region's capacity to absorb population — housing, childcare, primary health, school capacity — so that workforce and population targets are sequenced against it rather than set independently of it.

Priority 5: Growing our capability

Council supports the focus on workforce participation, skills and capability, and agrees that lifting participation is central to Tasmania's economic outlook.

The draft should carry its own insight through into this Priority. It identifies childcare, transport, health, youth engagement, educational attainment and housing affordability as the practical barriers to participation. In regional areas, participation is frequently limited less by skills than by whether the surrounding social infrastructure allows a person to take up work at all. Access to health services and affordable housing are the two attributes Huon Valley residents value highly and experience poorly. Capability

initiatives should address these enablers explicitly and in a place-specific way, in partnership with councils and local services.

Council also encourages the Strategy to consider community capability alongside workforce capability. In regional areas, local leadership, volunteering, community organisations and associations function as economic infrastructure. They maintain facilities and public spaces, run the events that support local trade and the visitor economy, connect people to work and training, welcome and settle new residents, and mobilise quickly in emergencies. The Wellbeing Framework recognises this directly, with Prosperity outcomes that paid and unpaid work — including caring, household and volunteer work — is recognised and valued, and that Tasmanians contribute to their communities through volunteering and have their contributions valued. Council's Community Recovery Plan similarly identifies creating new community structures, leaders and social or cultural assets as a core resilience-building action. The same capability supports economic participation in ordinary times.

Council recommends that community leadership and organisational capability be treated as economic capability within Priority 5, and that a defined share of regional capability funding be available to local government and community organisations for that purpose, reported alongside workforce and skills measures.

Council further recommends the Strategy recognise the skills and businesses required for climate adaptation as a workforce and diversification opportunity, consistent with the Tier 1 opportunities identified in Tasmania's Risk Assessment for Climate Change 2024.

Priority 6: Strengthening infrastructure

Council supports aligning infrastructure investment, land readiness and energy planning with economic priorities, and supports the emphasis on digital connectivity, transport, and land and water readiness in regional areas.

Recognise social and green infrastructure. Community halls and meeting spaces, sport and recreation facilities, trails, reserves, public open space and walkable town centres underpin liveability, support the visitor economy, and materially affect whether a region can attract and retain the workforce the Strategy identifies as scarce. In the Huon Valley they are also the infrastructure of the region's single strongest liveability asset: residents rated their access to the natural environment 7.7 out of 10, and asked, in their own words, for things such as more walking tracks so they can make use of the natural beauty around them. This infrastructure is largely owned and maintained by councils, frequently with constrained capacity. The Wellbeing Framework's Place domain seeks that Tasmanians have access to well-located public infrastructure and community spaces. Recognising these assets within the infrastructure conversation

would connect the Strategy's regional ambitions to the infrastructure councils actually deliver.

Weigh resilience in infrastructure decisions. Infrastructure investment decisions should explicitly weigh resilience to climate and natural hazard risk, consistent with the Wellbeing Framework's Place outcome that Tasmanians have access to an environment that is climate resilient, now and in the future. Council's Community Recovery Plan identifies rebuilding assets and infrastructure to a higher standard, and planning new buildings and settlements to reduce future disaster risk, as core resilience actions. Infrastructure designed to withstand foreseeable events is generally cheaper across its life and keeps local economies operating through disruption. That is itself a productivity and investment-confidence consideration.

Ensure fair and affordable energy for Tasmanians. Energy costs continue to rise for many households and small businesses, driven partly by investment in national infrastructure such as Marinus Link. Council recommends the Strategy set out the protections that will ensure Tasmanians receive fair and affordable prices.

Share the renewable advantage locally. Council recommends the Strategy make explicit how Tasmanians will share in the benefit of the state's renewable advantage, rather than mainly carrying the cost of supplying national markets. It should also address how enabling infrastructure such as electric vehicle charging and community batteries will keep pace across regional areas.

Measuring success and reporting

Show the evidence base. Council recommends the Strategy set out the evidence that current settings are not working, and define how it will measure concepts such as improved investor visibility, so that proposed reforms rest on a demonstrated need.

Report outcomes publicly and promptly. Council supports the principle of measuring outcomes rather than activity, and asks that outcomes be reported publicly and in a timely way. This addresses the independent review's finding that reporting to date has focused on activities rather than outcomes achieved.

Report against the Wellbeing Framework. As set out above, Council recommends the Strategy's reporting be mapped to the Wellbeing Framework's domains and outcomes, so that economic and wellbeing progress are reported together.

Conclusion

Council supports the Strategy's ambition and welcomes the opportunity to contribute to it.

Council's central submission is that social, environmental and economic capital are interdependent foundations of a resilient economy, and that liveability is a primary economic lever for a state whose central economic challenge is demographic. Communities that are socially connected, environmentally healthy and economically diverse attract and retain people, adapt more successfully to structural, technological, demographic and climate change, and recover from disruption more quickly. Council's own community evidence bears this out. Residents do not experience the economy as a category separate from the cost of living, a home they can afford, a doctor they can reach and a landscape they value.

The draft's most significant gap is climate change and the natural environment. Naming both, and weighing environmental value in decisions, would strengthen the Strategy rather than constrain it.

Two further omissions run through the draft. The Strategy identifies three connected drivers of long-term growth — population, participation and productivity — and builds goals, priorities and indicators for only two of them. Population is named as a pressure and then set aside, in a state with the oldest median age in Australia and natural population decline projected from the early 2030s. Council submits that population should carry a goal and a priority of its own, framed around the capacity of regions to house, service and retain people, and that retention — the part of the demographic challenge Tasmania can most directly influence — be addressed explicitly rather than left to the Minister's foreword.

The second is education. The Strategy expects that over 90 per cent of employment growth will require a post-secondary qualification, yet nothing in its goals or its alignment framework reaches below post-secondary level. In regional Tasmania, where socio-educational disadvantage is structural and measurable, that is where the constraint binds. Naming school and early childhood education as foundations of economic capability, and measuring them, would close the gap between what the Strategy assumes about its future workforce and what the evidence suggests it will have.

These omissions are connected, and connected in turn to Council's central submission. Where regional families conclude that opportunity for their children lies elsewhere, they act on it — first by educating children outside their community, and in time by leaving. Education, demography and liveability are not three separate matters. They are the same economic question asked at different points in a life.

Thriving, resilient communities can be shaped. Local government is closest to that work and, with clarity of role and appropriate resourcing, is well placed to work alongside communities, business and partners to build diverse and resilient local economies — consistent with the role proposed through the Future of Local Government Review and now being given effect through reform of the Local Government Act. The resourcing

question is real. Regional councils are already carrying services the market will not provide, and the Strategy should say so.

Council's principal recommendation is that the final Strategy make its relationship to the Wellbeing Framework explicit, so that Tasmania's economic ambitions and its wellbeing ambitions are visibly pursued as one endeavour rather than two, and so that the pieces interlock where they are ultimately experienced — in Tasmania's local communities.

Council would welcome further engagement with the Tasmanian Government as the Strategy and its action plans are finalised.

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